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JEFFERSON CONVENTION AND VISITORS BUREAU, INC.

**ANNUAL FINANCIAL STATEMENT
DECEMBER 31, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6-20-07

JEFFERSON CONVENTION AND VISITORS BUREAU, INC.

**Annual Financial Statements
As of and for the Year Ended December 31, 2006**

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VINCENT R. PROTTI, JR., L.L.C.
Certified Public Accountant

Member American Institute Of Certified Public Accountants
The Society of Louisiana CPA's
Government Finance Officers Association

INDEPENDENT AUDITORS' REPORT

Board Members of
Jefferson Convention And Visitors Bureau, Inc.

I have audited the accompanying statements of financial position of Jefferson Convention and Visitors Bureau, Inc. (a nonprofit organization) as of December 31, 2006, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jefferson Convention and Visitors Bureau, Inc. as of December 31, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, I have also issued my report dated May 17, 2007, on my consideration of Jefferson Convention and Visitors Bureau's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

V. A. P. CPA, LLC

Gretna, Louisiana
May 17, 2007

JEFFERSON CONVENTION AND VISITORS BUREAU, INC.

STATEMENT OF FINANCIAL POSITION
December 31, 2006

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 814,687
Prepaid Assets	67,500
Accounts Receivable	<u>70,255</u>

Total Current Assets \$ 952,442

FIXED ASSETS

Equipment	20,724
Computer Software	43,000
Less: Accumulated Depreciation	<u>(19,676)</u>
	<u>44,048</u>

TOTAL ASSETS \$ 996,490

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	72,676
Deferred Revenue	<u>750</u>

Total Current Liabilities 73,426

NET ASSETS

Unrestricted Net Assets	<u>923,064</u>
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Total Net Assets 923,064

TOTAL LIABILITIES AND NET ASSETS \$ 996,490

The accompanying notes are an integral part of this statement.

JEFFERSON CONVENTION & VISITORS BUREAU, INC.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2006

REVENUE

Occupancy Tax Revenue	\$ 1,121,961	
Membership Participation	29,300	
Interest	32,103	
Other Income	<u>2,557</u>	\$ 1,185,921

OPERATING EXPENSES

Depreciation	9,308
Health Insurance	7,961
Insurance	6,567
Marketing and Promotion-Collateral Materials	29,369
Marketing and Promotion-Cooperative Programs	34,697
Marketing and Promotion-Internet Advertising	26,171
Marketing and Promotion-Media/Brand Mgmt.	153,834
Marketing and Promotion-Trade Shows	49,641
Marketing and Promotion-Other	61,181
Miscellaneous Expenses	310
Office Equipment-Services	2,795
Office Equipment-Rental	3,416
Office Supplies	8,165
Payroll Tax	15,252
Postage	1,497
Printing and Reproduction	1,693
Professional/Technical	28,688
Rent	6,000
Salaries	201,821
Telephone	6,398
Travel/Trade Show	<u>37,185</u>

691,949

Change in unrestricted net assets 493,972

UNRESTRICTED NET ASSETS, JANUARY 1, 2006 429,092

UNRESTRICTED NET ASSETS, DECEMBER 31, 2006 \$ 923,064

The accompanying notes are an integral part of this statement.

JEFFERSON CONVENTION & VISITORS BUREAU, INC.

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income		\$ 493,972
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:		
Depreciation	9,308	
Change in Current Assets and Liabilities:		
Decrease in Accounts Receivable	6,335	
Increase in Prepaid Assets	(67,500)	
Increase in Deferred Revenue	150	
Increase in Accounts Payable	<u>54,143</u>	
Increase in Net Assets		<u>2,436</u>

NET CASH USED IN OPERATING ACTIVITIES 496,408

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Assets	<u>(43,000)</u>
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NET CASH USED IN INVESTING ACTIVITIES (43,000)

NET INCREASE IN CASH AND CASH EQUIVALENTS 453,408

CASH AND CASH EQUIVALENTS, JANUARY 1, 2006 361,279

CASH AND CASH EQUIVALENTS, DECEMBER 31, 2006 \$ 814,687

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash Paid During the Year For:

Interest	\$ 0
Income Taxes	\$ 0

The accompanying notes are an integral part of this statement.

JEFFERSON CONVENTION AND VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2006

NOTE A - NATURE OF OPERATIONS

JEFFERSON CONVENTION AND VISITORS BUREAU, INC. is a nonprofit corporation organized in June of 2000 to actively support the growth of Jefferson Parish tourism through promotion and marketing of its natural and developed resources for the economic benefit of the community and the enjoyment of residents and visitors.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements follows to enhance the usefulness of the financial statements to the reader.

1. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis which is by generally accepted accounting principles.

2. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers any highly liquid debt instruments purchased with a maturity of six months or less to be cash equivalents. The statement of cash flows is presented using the indirect method as permitted by APB 95.

At various times during the year, the Bureau's cash in bank balance exceeded the federally insured limits. At December 31, 2006, the Bureau's uninsured cash balance totaled \$ 125,757. This uncollateralized balance subjects the Bureau's concentration of credit risk in excess of FDIC limits.

3. Accounts Receivable

Accounts Receivable consist of the hotel occupancy tax collected by the sheriff's office in 2006 not received from Jefferson Parish until 2007.

4. Fixed Assets

Machinery, equipment and computer software are stated at cost. Depreciation of machinery, equipment and computer software is provided using accelerated methods as allowed for income tax purposes which is not materially different from their estimated useful lives.

JEFFERSON CONVENTION & VISITORS BUREAU, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2006

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. Fixed Assets - continued

	<u>Years</u>
Machinery, equipment and furniture	3 - 7
Depreciation expense for the year ended December 31, 2006 is \$9,308.	

5. Income Taxes

Income taxes are not paid by the Corporation. The Corporation qualifies as an exempt organization under section 501(c)(6) of the Internal Revenue Code of 1954.

6. Deferred Revenue

Deferred Revenue consist of membership participation dues and fees collected and deemed receivable during 2006 for the subsequent year. Deferred Revenue at December 31, 2006 is \$ 750.

7. Revenues

Jefferson Convention and Visitors Bureau, Inc. receives substantially all of its revenues from Jefferson Parish through a Cooperative Endeavor Agreement based on the hotel occupancy tax.

8. Advertising

The Corporation expenses advertising costs as they are incurred. At December 31, 2006, advertising expense which is composed of marketing and promotions was \$ 392,078.

10. Estimates

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2006

NOTE C - ECONOMIC DEPENDENCY

Jefferson Convention and Visitors Bureau, Inc.'s existence is dependent on the Jefferson Parish Council to renew annually their revenue from the Cooperative Endeavor Agreement which transfers a portion of the net proceeds of the hotel occupancy tax.